securities. She was selling them in blocks for some weeks before the war, and Germany, of course, has done everything that she could in order to induce neutrals, during the course of the war, to buy securities from her and to subscribe to her War Loans. Nevertheless, it cannot have been possible for Germany to carry out these operations to anything like the extent that we have, partly because her credit has not been nearly so good, partly because her ruthless and brutal conduct of the war has turned the sentiment of the world against her, and partly because the measures that we have taken to check remittances and transfers of money have not been altogether ineffective. On this side of the problem Germany has therefore an advantage over us, that her war finance, pitiful as it has been, has, not owing to any virtue of hers, but owing to force of circumstances, raised her a problem which is to a great extent internal, and will not have altered her relation to the finance of other countries so much as has been the case with regard to ourselves. We also have to remember that the process of demobilisation will be far simpler, quicker, and cheaper for Germany than for us. Even if the war ended to-morrow the German Army would not have far to go in order to get home, and we hope that by the time the war ends the German Army will all

have been driven back into its own country and so will be on its own soil, only requiring to be redistributed to its peace occupations. Our Army will have to be fetched home, firstly, over Continental railways, probably battered into a condition of